

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of:

**INSURANCE COMPANY
OF NORTH AMERICA,**

An Authorized Insurer.

No. D 02 - 128

**ORDER TO CEASE
AND DESIST**

Pursuant to RCW 48.02.080, 48.30.010, RCW 48.30.040, RCW 48.30.060, RCW 48.18.100, RCW 48.19.020, and RCW 48.19.040, the Office of the Insurance Commissioner ("OIC") orders INSURANCE COMPANY OF NORTH AMERICA and its officers, directors, employees, trustees, agents, and affiliates ("Respondents") to immediately cease and desist from:

- A. Soliciting Washington residents to purchase any plan, policy, or certificate of coverage for travel insurance for which the appropriate forms have not been submitted to, and approved by, the Office of the Insurance Commissioner;
- B. Soliciting Washington residents to purchase any plan, policy, or certificate of coverage for travel insurance for which the rates have not been submitted to, and approved by, the Office of the Insurance Commissioner; and
- C. Issuing certificates of coverage to Washington residents for travel insurance for which the appropriate rates and forms have not been submitted to, and approved by, the Office of the Insurance Commissioner.

This Order shall not prevent Respondents from processing and paying claims or otherwise fulfilling contractual commitments to insureds who purchased travel insurance prior to the date of this Order.

THIS ORDER IS BASED ON THE FOLLOWING:

1. Violation of RCW 48.18.100, Forms of policies to be filed for approval by the Commissioner. RCW 48.18.100 requires that forms of policies be filed with, and approved by, the Commissioner prior to use and that no such form shall be so issued or delivered as to which the Commissioner's approval does not then exist. Since 1997, Insurance Company of North America, an admitted carrier of property and casualty and accident and health coverage, has issued travel insurance to Washington residents. Insurance Company of North America through its agents has issued and delivered to Washington residents and is continuing to issue and deliver to Washington residents certificates of coverage under a group master

policy or policies for which the applicable forms have not been approved by the Commissioner.

2. RCW 48.19.040, Rates to be filed. RCW 48.19.040 requires that every insurer, before using, file its rates for review and approval by the Commissioner. Insurance Company of North America, through its agents, is selling and issuing to Washington residents and has sold and issued to Washington residents certificates of coverage under a group master policy or policies issued by Insurance Company of North America to Travel Guard Group, Inc., charging and using premium rates that have not been approved by the Commissioner.

Any violation of the terms of this Order by Respondents, their officers, directors, agents, or affiliates, will render the violator(s) subject to the full penalties authorized by RCW 48.02.080, 48.17.530, and other applicable Code sections.

Respondents have the right to demand a hearing pursuant to RCW Chapters 48.04 and 34.05. This Order shall remain in effect subject to the further order of the commissioner.

THIS ORDER IS EFFECTIVE IMMEDIATELY, AND IS ENTERED AT TUMWATER, WASHINGTON, this 8th day of August, 2002.

MIKE KREIDLER
Insurance Commissioner

By:

CHARLES D. BROWN
Legal Affairs Division